

REFERENCE TITLE: **clean elections; amendments**

State of Arizona  
House of Representatives  
Forty-eighth Legislature  
First Regular Session  
2007

## **HB 2690**

Introduced by  
Representatives Reagan, Boone, Kirkpatrick, McClure, Murphy, Pearce:  
Adams, Brown, Cajero Bedford, Crandall, Gallardo, Garcia M, Hershberger,  
Konopnicki, Lopez, McComish, McGuire, Meza, Robson

### **AN ACT**

**AMENDING SECTIONS 16-901, 16-905, 16-913 AND 16-941, ARIZONA REVISED  
STATUTES; REPEALING SECTION 16-944, ARIZONA REVISED STATUTES; AMENDING  
SECTIONS 16-952, 16-955, 16-956, 16-959 AND 16-961, ARIZONA REVISED STATUTES;  
RELATING TO THE CITIZENS CLEAN ELECTIONS ACT.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 16-901, Arizona Revised Statutes, is amended to  
3 read:

4 16-901. Definitions

5 In this chapter, unless the context otherwise requires:

6 1. "Agent" means, with respect to any person other than a candidate,  
7 any person who has oral or written authority, either express or implied, to  
8 make or authorize the making of expenditures as defined in this section on  
9 behalf of a candidate, any person who has been authorized by the treasurer of  
10 a political committee to make or authorize the making of expenditures or a  
11 political consultant for a candidate or political committee.

12 2. "Candidate" means an individual who receives or gives consent for  
13 receipt of a contribution for his nomination for or election to any office in  
14 this state other than a federal office.

15 3. "Candidate's campaign committee" means a political committee  
16 designated and authorized by a candidate.

17 4. "Clearly identified candidate" means that the name, a photograph or  
18 a drawing of the candidate appears or the identity of the candidate is  
19 otherwise apparent by unambiguous reference.

20 5. "Contribution" means any gift, subscription, loan, advance or  
21 deposit of money or anything of value made for the purpose of influencing an  
22 election, including supporting or opposing the recall of a public officer or  
23 supporting or opposing the circulation of a petition for a ballot measure,  
24 question or proposition or the recall of a public officer, and:

25 (a) Includes all of the following:

26 (i) A contribution made to retire campaign debt.

27 (ii) Money or the fair market value of anything directly or indirectly  
28 given or loaned to an elected official for the purpose of defraying the  
29 expense of communications with constituents, regardless of whether the  
30 elected official has declared his candidacy.

31 (iii) The entire amount paid to a political committee to attend a  
32 fund-raising or other political event and the entire amount paid to a  
33 political committee as the purchase price for a fund-raising meal or item,  
34 except that no contribution results if the actual cost of the meal or  
35 fund-raising item, based on the amount charged to the committee by the  
36 vendor, constitutes the entire amount paid by the purchaser for the meal or  
37 item, the meal or item is for the purchaser's personal use and not for resale  
38 and the actual cost is the entire amount paid by the purchaser in connection  
39 with the event. This exception does not apply to auction items.

40 (iv) Unless specifically exempted, the provision of goods or services  
41 without charge or at a charge that is less than the usual and normal charge  
42 for such goods and services.

1 (b) Does not include any of the following:

2 (i) The value of services provided without compensation by any  
3 individual who volunteers on behalf of a candidate, a candidate's campaign  
4 committee or any other political committee.

5 (ii) Money or the value of anything directly or indirectly provided to  
6 defray the expense of an elected official meeting with constituents if the  
7 elected official is engaged in the performance of the duties of his office or  
8 provided by the state or a political subdivision to an elected official for  
9 communication with constituents if the elected official is engaged in the  
10 performance of the duties of his office.

11 (iii) The use of real or personal property, including a church or  
12 community room used on a regular basis by members of a community for  
13 noncommercial purposes, that is obtained by an individual in the course of  
14 volunteering personal services to any candidate, candidate's committee or  
15 political party, and the cost of invitations, food and beverages voluntarily  
16 provided by an individual to any candidate, candidate's campaign committee or  
17 political party in rendering voluntary personal services on the individual's  
18 residential premises or in the church or community room for candidate-related  
19 or political party-related activities, to the extent that the cumulative  
20 value of the invitations, food and beverages provided by the individual on  
21 behalf of any single candidate does not exceed one hundred dollars with  
22 respect to any single election.

23 (iv) Any unreimbursed payment for personal travel expenses made by an  
24 individual who on his own behalf volunteers his personal services to a  
25 candidate.

26 (v) The payment by a political party for party operating expenses,  
27 party staff and personnel, party newsletters and reports, voter registration  
28 and efforts to increase voter turnout, party organization building and  
29 maintenance and printing and postage expenses for slate cards, sample  
30 ballots, other written materials that substantially promote three or more  
31 nominees of the party for public office and other election activities not  
32 related to a specific candidate, except that this item does not apply to  
33 costs incurred with respect to a display of the listing of candidates made on  
34 telecommunications systems, INCLUDING THE INTERNET or in newspapers,  
35 magazines or similar types of general circulation advertising. PAYMENT FOR A  
36 SLATE CARD, SAMPLE BALLOT OR OTHER WRITTEN MATERIAL IS NOT A CONTRIBUTION,  
37 WITHOUT REGARD TO THE PROPORTION OF PROMOTIONAL MATERIAL DEVOTED TO EACH OR  
38 ANY OF THE THREE OR MORE CANDIDATES INCLUDED, IF THE PROMOTIONAL MATERIAL  
39 DOES NOT ADVOCATE THE DEFEAT OF OR OPPOSE ONE OR MORE OTHER CANDIDATES OR  
40 PRESENT ONE OR MORE OTHER CANDIDATES IN AN UNFAVORABLE LIGHT.

41 (vi) Independent expenditures.

42 (vii) Monies loaned by a state bank, a federally chartered depository  
43 institution or a depository institution the deposits or accounts of which are  
44 insured by the federal deposit insurance corporation or the national credit  
45 union administration, other than an overdraft made with respect to a checking

1 or savings account, that is made in accordance with applicable law and in the  
2 ordinary course of business. In order for this exemption to apply, this loan  
3 shall be deemed a loan by each endorser or guarantor, in that proportion of  
4 the unpaid balance that each endorser or guarantor bears to the total number  
5 of endorsers or guarantors, the loan shall be made on a basis that assures  
6 repayment, evidenced by a written instrument, shall be subject to a due date  
7 or amortization schedule and shall bear the usual and customary interest rate  
8 of the lending institution.

9 (viii) A gift, subscription, loan, advance or deposit of money or  
10 anything of value to a national or a state committee of a political party  
11 specifically designated to defray any cost for the construction or purchase  
12 of an office facility not acquired for the purpose of influencing the  
13 election of a candidate in any particular election.

14 (ix) Legal or accounting services rendered to or on behalf of a  
15 political committee or a candidate, if the only person paying for the  
16 services is the regular employer of the individual rendering the services and  
17 if the services are solely for the purpose of compliance with this title.

18 (x) The payment by a political party of the costs of campaign  
19 materials, including pins, bumper stickers, handbills, brochures, posters,  
20 party tabloids and yard signs, used by the party in connection with volunteer  
21 activities on behalf of any nominee of the party or the payment by a state or  
22 local committee of a political party of the costs of voter registration and  
23 get-out-the-vote activities conducted by the committee if the payments are  
24 not for the costs of campaign materials or activities used in connection with  
25 any telecommunication, newspaper, magazine, billboard, direct mail or similar  
26 type of general public communication or political advertising.

27 (xi) Transfers between political committees to distribute monies  
28 raised through a joint fund-raising effort in the same proportion to each  
29 committee's share of the fund-raising expenses and payments from one  
30 political committee to another in reimbursement of a committee's  
31 proportionate share of its expenses in connection with a joint fund-raising  
32 effort.

33 (xii) An extension of credit for goods and services made in the  
34 ordinary course of the creditor's business if the terms are substantially  
35 similar to extensions of credit to nonpolitical debtors that are of similar  
36 risk and size of obligation and if the creditor makes a commercially  
37 reasonable attempt to collect the debt, except that any extension of credit  
38 under this item made for the purpose of influencing an election which remains  
39 unsatisfied by the candidate after six months, notwithstanding good faith  
40 collection efforts by the creditor, shall be deemed receipt of a contribution  
41 by the candidate but not a contribution by the creditor.

42 (xiii) Interest or dividends earned by a political committee on any  
43 bank accounts, deposits or other investments of the political committee.

44 6. "Earmarked" means a designation, instruction or encumbrance that  
45 results in all or any part of a contribution or expenditure being made to, or

1 expended on behalf of, a clearly identified candidate or a candidate's  
2 campaign committee.

3 7. "Election" means any election for any initiative, referendum or  
4 other measure or proposition or a primary, general, recall, special or runoff  
5 election for any office in this state other than the office of precinct  
6 committeeman and other than a federal office. For THE purposes of sections  
7 16-903 and 16-905, the general election includes the primary election.

8 8. "Expenditures" includes any purchase, payment, distribution, loan,  
9 advance, deposit or gift of money or anything of value made by a person for  
10 the purpose of influencing an election in this state including supporting or  
11 opposing the recall of a public officer or supporting or opposing the  
12 circulation of a petition for a ballot measure, question or proposition or  
13 the recall of a public officer and a contract, promise or agreement to make  
14 an expenditure resulting in an extension of credit and the value of any  
15 in-kind contribution received. Expenditure does not include any of the  
16 following:

17 (a) A news story, commentary or editorial distributed through the  
18 facilities of any telecommunications system, newspaper, magazine or other  
19 periodical publication, unless the facilities are owned or controlled by a  
20 political committee, political party or candidate.

21 (b) Nonpartisan activity designed to encourage individuals to vote or  
22 to register to vote.

23 (c) The payment by a political party of the costs of preparation,  
24 display, mailing or other distribution incurred by the party with respect to  
25 ~~any printed~~ slate ~~card~~ CARDS, sample ~~ballot~~ BALLOTS or other ~~printed listing~~  
26 ~~of~~ WRITTEN MATERIALS THAT SUBSTANTIALLY PROMOTE three or more ~~candidates~~  
27 ~~NOMINEES OF THE PARTY~~ for ~~any~~ public office ~~for which an election is held~~ AND  
28 ~~OTHER ELECTION ACTIVITIES NOT RELATED TO A SPECIFIC CANDIDATE~~, except that  
29 this subdivision does not apply to costs incurred by the party with respect  
30 to a display of ~~any~~ THE listing of candidates made on any telecommunications  
31 system, ~~INCLUDING THE INTERNET~~, or in newspapers, magazines or similar types  
32 of general ~~public-political~~ CIRCULATION advertising. ~~PAYMENT FOR A SLATE~~  
33 ~~CARD, SAMPLE BALLOT OR OTHER WRITTEN MATERIAL IS NOT AN EXPENDITURE, WITHOUT~~  
34 ~~REGARD TO THE PROPORTION OF PROMOTIONAL MATERIAL DEVOTED TO EACH OR ANY OF~~  
35 ~~THE THREE OR MORE CANDIDATES INCLUDED, IF THE PROMOTIONAL MATERIAL DOES NOT~~  
36 ~~ADVOCATE THE DEFEAT OF OR OPPOSE ONE OR MORE OTHER CANDIDATES OR PRESENT ONE~~  
37 ~~OR MORE OTHER CANDIDATES IN AN UNFAVORABLE LIGHT.~~

38 (d) The payment by a political party of the costs of campaign  
39 materials, including pins, bumper stickers, handbills, brochures, posters,  
40 party tabloids and yard signs, used by the party in connection with volunteer  
41 activities on behalf of any nominee of the party or the payment by a state or  
42 local committee of a political party of the costs of voter registration and  
43 get-out-the-vote activities conducted by the committee if the payments are  
44 not for the costs of campaign materials or activities used in connection with

1 any telecommunications system, newspaper, magazine, billboard, direct mail or  
2 similar type of general public communication or political advertising.

3 (e) Any deposit or other payment filed with the secretary of state or  
4 any other similar officer to pay any portion of the cost of printing an  
5 argument in a publicity pamphlet advocating or opposing a ballot measure.

6 9. "Exploratory committee" means a political committee that is formed  
7 for the purpose of determining whether an individual will become a candidate  
8 and that receives contributions or makes expenditures of more than five  
9 hundred dollars in connection with that purpose.

10 10. "Family contribution" means any contribution that is provided to a  
11 candidate's campaign committee by a parent, grandparent, spouse, child or  
12 sibling of the candidate or a parent or spouse of any of those persons.

13 11. "Filing officer" means the office that is designated by section  
14 16-916 to conduct the duties prescribed by this chapter.

15 12. "Identification" means:

16 (a) For an individual, his name and mailing address, his occupation  
17 and the name of his employer.

18 (b) For any other person, including a political committee, the full  
19 name and mailing address of the person. For a political committee,  
20 identification includes the identification number issued on the filing of a  
21 statement of organization pursuant to section 16-902.01.

22 13. "Incomplete contribution" means any contribution received by a  
23 political committee for which the contributor's mailing address, occupation,  
24 employer or identification number has not been obtained and is not in the  
25 possession of the political committee.

26 14. "Independent expenditure" means an expenditure by a person or  
27 political committee, other than a candidate's campaign committee, that  
28 expressly advocates the election or defeat of a clearly identified candidate,  
29 that is made without cooperation or consultation with any candidate or  
30 committee or agent of the candidate and that is not made in concert with or  
31 at the request or suggestion of a candidate, or any committee or agent of the  
32 candidate. Independent expenditure includes an expenditure that is subject  
33 to the requirements of section 16-917, which requires a copy of campaign  
34 literature or advertisement to be sent to a candidate named or otherwise  
35 referred to in the literature or advertisement. An expenditure is not an  
36 independent expenditure if any of the following applies:

37 (a) Any officer, member, employee or agent of the political committee  
38 making the expenditure is also an officer, member, employee or agent of the  
39 committee of the candidate whose election or whose opponent's defeat is being  
40 advocated by the expenditure or an agent of the candidate whose election or  
41 whose opponent's defeat is being advocated by the expenditure.

42 (b) There is any arrangement, coordination or direction with respect  
43 to the expenditure between the candidate or the candidate's agent and the  
44 person making the expenditure, including any officer, director, employee or  
45 agent of that person.

1 (c) In the same election the person making the expenditure, including  
2 any officer, director, employee or agent of that person, is or has been:

3 (i) Authorized to raise or expend monies on behalf of the candidate or  
4 the candidate's authorized committees.

5 (ii) Receiving any form of compensation or reimbursement from the  
6 candidate, the candidate's committees or the candidate's agent.

7 (d) The expenditure is based on information about the candidate's  
8 plans, projects or needs, or those of his campaign committee, provided to the  
9 expending person by the candidate or by the candidate's agents or any  
10 officer, member or employee of the candidate's campaign committee with a view  
11 toward having the expenditure made.

12 15. "In-kind contribution" means a contribution of goods or services or  
13 anything of value and not a monetary contribution.

14 16. "Itemized" means that each contribution received or expenditure  
15 made is set forth separately.

16 17. "Literature or advertisement" means information or materials that  
17 are mailed, distributed or placed in some medium of communication for the  
18 purpose of influencing the outcome of an election.

19 18. "Personal monies" means any of the following:

20 (a) Assets to which the candidate has a legal right of access or  
21 control at the time he becomes a candidate and with respect to which the  
22 candidate has either legal title or an equitable interest.

23 (b) Salary and other earned income from bona fide employment of the  
24 candidate, dividends and proceeds from the sale of the stocks or investments  
25 of the candidate, bequests to the candidate, income to the candidate from  
26 trusts established before candidacy, income to the candidate from trusts  
27 established by bequest after candidacy of which the candidate is a  
28 beneficiary, gifts to the candidate of a personal nature that have been  
29 customarily received before the candidacy and proceeds received by the  
30 candidate from lotteries and other legal games of chance.

31 (c) The proceeds of loans obtained by the candidate that are not  
32 contributions and for which the collateral or security is covered by  
33 subdivision (a) or (b) of this paragraph.

34 (d) Family contributions.

35 19. "Political committee" means a candidate or any association or  
36 combination of persons that is organized, conducted or combined for the  
37 purpose of influencing the result of any election or to determine whether an  
38 individual will become a candidate for election in this state or in any  
39 county, city, town, district or precinct in this state, that engages in  
40 political activity in behalf of or against a candidate for election or  
41 retention or in support of or opposition to an initiative, referendum or  
42 recall or any other measure or proposition and that applies for a serial  
43 number and circulates petitions and, in the case of a candidate for public  
44 office except those exempt pursuant to section 16-903, that receives  
45 contributions or makes expenditures in connection therewith, notwithstanding

1 that the association or combination of persons may be part of a larger  
2 association, combination of persons or sponsoring organization not primarily  
3 organized, conducted or combined for the purpose of influencing the result of  
4 any election in this state or in any county, city, town or precinct in this  
5 state. Political committee includes the following types of committees:

- 6 (a) A candidate's campaign committee.
- 7 (b) A separate, segregated fund established by a corporation or labor  
8 organization pursuant to section 16-920, subsection A, paragraph 3.
- 9 (c) A committee acting in support of or opposition to the  
10 qualification, passage or defeat of a ballot measure, question or  
11 proposition.
- 12 (d) A committee organized to circulate or oppose a recall petition or  
13 to influence the result of a recall election.
- 14 (e) A political party.
- 15 (f) A committee organized for the purpose of making independent  
16 expenditures.
- 17 (g) A committee organized in support of or opposition to one or more  
18 candidates.
- 19 (h) A political organization.
- 20 (i) An exploratory committee.

21 20. "Political organization" means an organization that is formally  
22 affiliated with and recognized by a political party, including a district  
23 committee organized pursuant to section 16-823.

24 21. "Political party" means the state committee as prescribed by  
25 section 16-825 or the county committee as prescribed by section 16-821 of an  
26 organization that meets the requirements for recognition as a political party  
27 pursuant to section 16-801 or section 16-804, subsection A.

28 22. "Sponsoring organization" means any organization that establishes,  
29 administers or contributes financial support to the administration of, or  
30 that has common or overlapping membership or officers with, a political  
31 committee other than a candidate's campaign committee.

32 23. "Standing political committee" means a political committee ~~that is~~  
33 **TO WHICH** all of the following **APPLY**:

- 34 (a) **IS** active in more than one reporting jurisdiction in this state  
35 for more than one year.
- 36 (b) Files a statement of organization as prescribed by section  
37 16-902.01, subsection E.
- 38 (c) Is any of the following as defined by paragraph 19 of this  
39 section:
  - 40 (i) A separate, segregated fund.
  - 41 (ii) A political party.
  - 42 (iii) A committee organized for the purpose of making independent  
43 expenditures.
  - 44 (iv) A political organization.



24. "Statewide office" means the office of governor, secretary of state, state treasurer, attorney general, superintendent of public instruction, corporation commissioner or mine inspector.

25. "Surplus monies" means those monies of a political committee remaining after all of the committee's expenditures have been made and its debts have been extinguished.

Sec. 2. Section 16-905, Arizona Revised Statutes, is amended to read:  
16-905. Contribution limitations; civil penalty; complaint

A. For an election other than for a statewide office, a contributor shall not give and an exploratory committee, a candidate or a candidate's campaign committee shall not accept contributions of more than:

1. Three hundred dollars from an individual.

2. Three hundred dollars from a single political committee, excluding a political party, not certified under subsection I of this section to make contributions at the higher limits prescribed by paragraph 3 of this subsection and subsection B, paragraph 3 of this section.

3. One thousand five hundred ten dollars from a single political committee, excluding a political party, certified pursuant to subsection I of this section.

B. For an election for a statewide office, a contributor shall not give and an exploratory committee, a candidate or a candidate's committee shall not accept contributions of more than:

1. Seven hundred sixty dollars from an individual.

2. Seven hundred sixty dollars from a single political committee, excluding a political party, not certified under subsection I of this section to make contributions at the higher limits prescribed by subsection A, paragraph 3 OF THIS SECTION and paragraph 3 of this subsection.

3. Three thousand seven hundred ninety dollars from a single political committee excluding political parties certified pursuant to subsection I of this section.

C. A candidate shall not accept contributions from all political committees, excluding political parties, combined totaling more than ~~seven thousand five hundred sixty~~ THIRTY-TWO THOUSAND EIGHT HUNDRED FORTY-THREE dollars for an office other than a statewide office, or seventy-five thousand six hundred ten dollars for a statewide office.

D. A nominee of a political party shall not accept contributions from all political parties or political organizations combined totaling more than seven thousand five hundred sixty dollars for an election for an office other than a statewide office, and seventy-five thousand six hundred ten dollars for an election for a statewide office.

E. An individual shall not make contributions totaling more than two thousand eight hundred twenty dollars in a calendar year to state and local candidates, political committees contributing to state or local candidates, and political committees advocating the election or defeat of state or local

1 candidates. Contributions to political parties are exempt from the  
2 limitations of this subsection.

3 F. The use of a candidate's personal monies is not subject to the  
4 limitations of this section but affects the application of these limitations  
5 to the candidate's opponents as follows:

6 1. For a candidate for an office other than a statewide office:

7 (a) If a candidate contributes or promises amounts of more than eleven  
8 thousand eight hundred forty dollars of those personal monies, the candidate,  
9 within twenty-four hours, excluding Saturdays, Sundays and other legal  
10 holidays, shall give written notice by certified mail of the amount  
11 contributed or promised as of the date of the notice to all other candidates  
12 and the candidates' campaign committees for the same office at the address on  
13 file with the filing officer and to the filing officer. Other candidates for  
14 the same office and contributors to those candidates are not subject to the  
15 limitations of subsections A, C and E of this section after receiving the  
16 notice until these candidates receive contributions totaling the amount of  
17 personal monies contributed or promised by the candidate giving this notice.

18 (b) For each additional accumulation of contributions or promises of  
19 that candidate's personal monies that totals at least five thousand nine  
20 hundred twenty dollars, the candidate, within twenty-four hours, excluding  
21 Saturdays, Sundays and other legal holidays, shall give written notice by  
22 certified mail of the amount contributed or promised as of the date of the  
23 notice. The notice shall be given as prescribed in subdivision (a) of this  
24 paragraph. Other candidates for the same office and contributors to those  
25 candidates are not subject to the limitations of subsections A, C and E of  
26 this section after receiving the notice until these candidates receive  
27 contributions totaling the amount of personal monies contributed or promised  
28 by the candidate giving this notice.

29 2. For a candidate for a statewide office:

30 (a) If a candidate contributes or promises amounts of more than  
31 twenty-three thousand six hundred seventy dollars of those personal monies,  
32 the candidate, within twenty-four hours, excluding Saturdays, Sundays and  
33 other legal holidays, shall give written notice by certified mail of the  
34 amount contributed or promised as of the date of the notice to all other  
35 candidates and the candidates' campaign committees for the same office at the  
36 address on file with the filing officer and to the secretary of state. Other  
37 candidates for the same office and contributors to those candidates are not  
38 subject to the limitations of subsections B, C and E of this section after  
39 receiving the notice until these candidates receive contributions totaling  
40 the amount of personal monies contributed or promised by the candidate giving  
41 this notice.

42 (b) For each additional accumulation of contributions or promises of  
43 that candidate's personal monies that totals at least eleven thousand eight  
44 hundred forty dollars, the candidate, within twenty-four hours, excluding  
45 Saturdays, Sundays and other legal holidays, shall give written notice of the

1 amount contributed or promised as of the date of the notice. The notice  
2 shall be given as prescribed in subdivision (a) of this paragraph. Other  
3 candidates for the same office and contributors to those candidates are not  
4 subject to the limitations of subsections B, C and E of this section after  
5 receiving the notice until these candidates receive contributions totaling  
6 the amount of personal monies contributed or promised by the candidate giving  
7 this notice.

8 3. If any notice prescribed by this subsection is not timely given the  
9 other candidates are not subject to the limitations of subsections A, B and C  
10 of this section for an additional five hundred ninety dollars for each day  
11 the notice was delinquent.

12 4. Notwithstanding any other provision of this subsection, the amount  
13 of contributions that a candidate may receive and that is not subject to the  
14 limitations of subsections A, B and C of this section shall not be greater  
15 than the largest amount of personal contributions, plus any additional  
16 amounts due to delinquent notices, made by any other single candidate for the  
17 same office.

18 G. The use of personal monies by an individual who designates an  
19 exploratory committee is not subject to the limitations of this section but  
20 is subject to the following:

21 1. If an individual who has designated a committee for other than  
22 statewide office contributes or promises to the committee an amount of  
23 personal monies that is more than eleven thousand eight hundred forty  
24 dollars, the individual, within twenty-four hours excluding Saturdays,  
25 Sundays and other legal holidays, shall give written notice by certified mail  
26 of the amount contributed or promised as of the date of the notice to the  
27 filing officer.

28 2. For each additional accumulation of contributions or promises of  
29 the designating individual's personal monies that totals at least six  
30 thousand dollars, the individual, within twenty-four hours, excluding  
31 Saturdays, Sundays and other legal holidays, shall give written notice by  
32 certified mail of the amount contributed or promised as of the date of the  
33 notice to the filing officer.

34 3. If an individual who has designated a committee for statewide  
35 office contributes or promises to the committee an amount of personal monies  
36 that is more than twenty-three thousand six hundred seventy dollars, the  
37 individual, within twenty-four hours, excluding Saturdays, Sundays and other  
38 legal holidays, shall give written notice by certified mail of the amount  
39 contributed or promised as of the date of the notice to the filing officer.

40 4. For each additional accumulation of contributions or promises of  
41 the designating individual's personal monies that totals at least twelve  
42 thousand dollars, the individual, within twenty-four hours, excluding  
43 Saturdays, Sundays and other legal holidays, shall give written notice by  
44 certified mail of the amount contributed or promised as of the date of the  
45 notice to the filing officer.

H. A candidate's campaign committee or an individual's exploratory committee shall not make a loan and shall not transfer or contribute money to any other campaign or exploratory committee that is designated pursuant to this chapter or 2 United States Code section 431 except as follows:

1. An exploratory committee may transfer monies to a subsequent candidate's campaign committee of the individual designating the exploratory committee, subject to the limits of subsection B of this section.

2. A candidate's campaign committee may transfer or contribute monies to another campaign committee designated by the same candidate as follows:

(a) Subject to the contribution limits of this section, transfer or contribute monies from one committee to another if both committees have been designated for an election in the same year.

(b) Without application of the contribution limits of this section, transfer or contribute monies from one committee to another designated for an election in a subsequent year.

I. Only political committees that received monies from five hundred or more individuals in amounts of ten dollars or more in the one year period immediately before application to the secretary of state for qualification as a political committee pursuant to this section may make contributions to candidates under subsection A, paragraph 3 of this section and subsection B, paragraph 3 of this section. The secretary of state shall obtain information necessary to make the determination that a committee meets the requirements of this subsection and shall provide written certification of the fact to the committee. A political committee certification is valid for two years. A candidate's campaign committee shall not accept a contribution pursuant to this subsection unless it is accompanied by a copy of the certification. All political committees that do not meet the requirements of this subsection are subject to the individual campaign contribution limits of subsection A, paragraph 1 of this section and subsection B, paragraph 1 of this section.

J. The secretary of state ~~shall, biennially,~~ **SHALL** adjust to the nearest ten dollars the amounts in subsections A through G of this section by the percentage change in the consumer price index and publish the new amounts for distribution to election officials, candidates and campaign committees. ~~In~~ **FOR THE PURPOSES OF** this subsection, "consumer price index" means the consumer price index for all urban consumers, United States city average, that is published by the United States department of labor, bureau of labor statistics.

K. The following specific limitations and procedures apply:

1. The limits of subsections A through D, F and G of this section apply to each election for any office or offices which the candidate seeks.

2. The limits of subsections A, ~~through B~~ **AND C** of this section apply to the total contributions from all separate segregated funds established, as provided in section 16-920, by a corporation, labor organization, trade association, cooperative or corporation without capital stock.

3. A contribution by an unemancipated minor child shall be treated as a contribution by ~~his~~ THE CHILD'S custodial parent or parents for determining compliance with subsection A, paragraph 1, subsection B, paragraph 1, ~~and~~ subsection E of this section.

4. A contribution by an individual or a single political committee to two or more candidates in connection with a joint fund-raising effort shall be divided among the candidates in direct proportion to each candidate campaign committee's share of the expenses for the fund-raising effort.

5. A candidate shall sign and file with ~~his~~ THE CANDIDATE'S nomination paper a statement that ~~he~~ THE CANDIDATE has read all applicable laws relating to campaign financing and reporting.

6. An individual or political committee shall not use economic influence to induce members of an organization to make contributions to a candidate, collect contributions from members of an organization for transmittal to a candidate, make payments to candidates for public appearances or services which are ordinarily uncompensated or use any similar device to circumvent any of the limitations of this section.

L. A person who violates this section is subject to a civil penalty imposed as prescribed in section 16-924 of three times the amount of money that has been received, expended or promised in violation of this section or three times the value in money for an equivalent of money or other things of value that have been received, expended or promised in violation of this section.

M. Any qualified elector may file a sworn complaint with the attorney general or the county attorney of the county in which a violation of this section is believed to have occurred, and the attorney general or the county attorney shall investigate the complaint for possible action.

N. If the filing officer, attorney general or county attorney fails to institute an action within forty-five working days after receiving a complaint under subsection M of this section, ~~then~~ the individual filing the complaint may bring a civil action in ~~his~~ THE INDIVIDUAL'S own name and at ~~his~~ THE INDIVIDUAL'S own expense, with the same effect as if brought by the filing officer, attorney general or county attorney. The individual shall execute a bond payable to the defendant if the individual fails to prosecute the action successfully. The court shall award to the prevailing party costs and reasonable attorney fees.

O. If a provision of this section or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the section which can be given effect without the invalid provision or application, and to this end the provisions of this section are severable.

P. If any notice prescribed by subsection F or G of this section is not given in a timely manner, the designating individual, in the case of an exploratory committee, or the candidate, in the case of a candidate's campaign committee, is subject to a civil penalty of three times the amount

1 of personal monies that were contributed, expended or promised in violation.  
2 The civil penalty shall be imposed as prescribed by section 16-924.

3 Sec. 3. Section 16-913, Arizona Revised Statutes, is amended to read:

4 16-913. Campaign finance reports: reporting of receipts and  
5 disbursements: exemptions: twenty-four hour reports:  
6 civil penalty

7 A. Except as provided in subsection K of this section, each political  
8 committee shall file campaign finance reports setting forth the committee's  
9 receipts and disbursements according to the schedule prescribed in  
10 subsections B and C of this section.

11 B. In any calendar year during which there is a regularly scheduled  
12 election at which any candidates, measures, questions or propositions appear  
13 or may appear on the ballot, the political committee shall file each of the  
14 following campaign finance reports:

15 1. A report covering the period beginning January 1 through May 31,  
16 filed no later than June 30.

17 2. A preelection report, which shall be filed not less than twelve  
18 days before any election and which shall be complete through the twentieth  
19 day before the election.

20 3. A postelection report, which shall be filed not more than thirty  
21 days after any election and which shall be complete through the twentieth day  
22 after the election.

23 C. In any other calendar year, the political committee shall file a  
24 report covering the period beginning twenty-one days after the date of the  
25 election in the preceding calendar year through December 31 of the  
26 nonelection year filed no later than January 31 of the following calendar  
27 year.

28 D. In the event that a political committee receives no contributions  
29 and makes no expenditures during a period in which it is required to file a  
30 campaign finance report, the committee treasurer or if the treasurer is  
31 unavailable the candidate, in lieu of filing a report required by subsection  
32 B of this section, may sign and file a form prescribed by the secretary of  
33 state indicating no activity during the specific reporting period.

34 E. In lieu of the reports prescribed in subsections B and C of this  
35 section, a candidate's political committee that remains active after an  
36 election due to outstanding debts may file a document no later than January  
37 31 in a form prescribed by the secretary of state that states that the  
38 committee does not intend to receive any contributions or make any  
39 expenditures during the year. If a candidate's political committee does  
40 receive a contribution or make an expenditure during that year, the committee  
41 shall report as prescribed by subsection B or C of this section.

42 F. A judge who has filed a declaration of the desire to be retained in  
43 office is exempt from filing any report required by this section if the  
44 judge, not later than twelve days before the general election, files a  
45 statement signed and sworn to by the judge certifying that the judge has

1 received no contributions, has made no expenditures and has no campaign  
2 committee and that the judge does not intend to receive contributions, make  
3 expenditures or have a campaign committee for the purpose of influencing the  
4 result of the vote on the question of the judge's retention. With respect to  
5 superior court judges, a statement filed pursuant to this subsection is  
6 effective until the earlier of twelve days before the third general election  
7 following the filing of this statement or the judge receives contributions,  
8 makes expenditures or authorizes a campaign committee. Such a statement  
9 filed by a supreme court justice or a court of appeals judge is effective  
10 until the earlier of twelve days before the fourth general election following  
11 the filing of this statement or the justice or judge receives contributions,  
12 makes expenditures or authorizes a campaign committee.

13 G. Reports in connection with special or recall elections shall  
14 conform to the filing deadlines set forth in subsection B of this section.

15 H. Except as provided in section 16-916, subsection B and subsection K  
16 of this section, a political committee shall comply with the requirements of  
17 this section in each jurisdiction in this state in which the committee has  
18 filed a statement of organization until the committee terminates pursuant to  
19 section 16-914, and its statements, designations and reports shall be filed  
20 with each officer with whom it has filed a statement of organization, as  
21 appropriate.

22 I. Each report required to be filed pursuant to this section shall be  
23 signed by the committee treasurer or the candidate or the designating  
24 individual if the treasurer is unavailable and shall contain the  
25 certification of the signer under penalty of perjury that the report is true  
26 and complete.

27 J. A political committee and the candidate, in the case of a  
28 candidate's campaign committee, or the designating individual, in the case of  
29 an exploratory committee, who violate this section are subject to the penalty  
30 prescribed in section 16-918.

31 K. A standing political committee shall file reports with the  
32 secretary of state and is exempt from filing a report with any other  
33 jurisdiction in which it is active. The reports shall be in an electronic  
34 format as prescribed by the secretary of state and shall be filed by delivery  
35 of a computer diskette or cd-rom that contains the report or by use of the  
36 internet. The secretary of state shall promptly make the reports available  
37 to the public on the internet and on paper by request. The standing  
38 committee shall file the following reports:

39 1. A preelection report that is due as prescribed by subsection B,  
40 paragraph 2 of this section shall be filed for each consolidated election  
41 date prescribed by section 16-204.

42 2. A postelection report that is due as prescribed by subsection B,  
43 paragraph 3 of this section shall be filed for each consolidated election  
44 date prescribed by section 16-204.

3. An annual report that is due by January 31 in the year immediately following the calendar year that is the subject of the report.

L. FOR ANY CANDIDATE CAMPAIGN COMMITTEE THAT IS REQUIRED TO FILE WITH THE SECRETARY OF STATE, THE COMMITTEE SHALL REPORT WITHIN ONE BUSINESS DAY ANY CONTRIBUTION RECEIVED BY THAT COMMITTEE FROM A SINGLE POLITICAL COMMITTEE THAT IS NOT A POLITICAL PARTY, AND THE SECRETARY OF STATE SHALL MAKE THAT REPORT PUBLICLY AVAILABLE ON THE SECRETARY OF STATE'S WEBSITE AS SOON AS PRACTICABLE. THIS SUBSECTION APPLIES TO CONTRIBUTIONS FROM THOSE POLITICAL COMMITTEES THAT ARE CERTIFIED PURSUANT TO SECTION 16-905, SUBSECTION I TO MAKE CONTRIBUTIONS AT HIGHER LIMITS AND TO POLITICAL COMMITTEES THAT ARE NOT SO CERTIFIED.

Sec. 4. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-941, Arizona Revised Statutes, is amended to read:

16-941. Limits on spending and contributions for political campaigns

A. Notwithstanding any law to the contrary, a participating candidate:

1. Shall not accept any contributions, other than a limited number of five-dollar qualifying contributions as specified in section 16-946 and early contributions as specified in section 16-945, except in the emergency situation specified in section 16-954, subsection F.

2. Shall not make expenditures of more than a total of five hundred dollars of the candidate's personal monies for a candidate for THE legislature or more than one thousand dollars for a candidate for statewide office.

3. Shall not make expenditures in the primary election period in excess of the adjusted primary election spending limit.

4. Shall not make expenditures in the general election period in excess of the adjusted general election spending limit.

5. Shall comply with section 16-948 regarding campaign accounts and section 16-953 regarding returning unused monies to the citizens clean ~~election~~ ELECTIONS fund described in this article.

6. SHALL NOT ACCEPT CONTRIBUTIONS TO THE PARTICIPATING CANDIDATE'S OFFICEHOLDER EXPENSE ACCOUNT FROM A PERSON WHO IS REQUIRED TO BE REGISTERED AS A LOBBYIST, A DESIGNATED PUBLIC LOBBYIST OR AN AUTHORIZED PUBLIC LOBBYIST PURSUANT TO TITLE 41, CHAPTER 7, ARTICLE 8.1.

B. Notwithstanding any law to the contrary, a nonparticipating candidate:

1. Shall not accept contributions in excess of an amount that is twenty ~~percent~~ PER CENT less than the limits specified in section 16-905, subsections A through G, as adjusted by the secretary of state pursuant to section 16-905, subsection J. Any violation of this paragraph shall be subject to the civil penalties and procedures set forth in section 16-905, subsections L through P and section 16-924.



2. Shall comply with section 16-958 regarding reporting, including filing reports with the secretary of state indicating whenever (A) expenditures other than independent expenditures on behalf of the candidate, from the beginning of the election cycle to any date up to primary election day, exceed seventy ~~percent~~ PER CENT of the original primary election spending limit applicable to a participating candidate seeking the same office, or (B) contributions to a candidate, from the beginning of the election cycle to any date during the general election period, less expenditures made from the beginning of the election cycle through primary election day, exceed seventy ~~percent~~ PER CENT of the original general election spending limit applicable to a participating candidate seeking the same office. A NONPARTICIPATING CANDIDATE IS EXEMPT FROM THIS PARAGRAPH IF THERE IS NO PARTICIPATING CANDIDATE RUNNING AGAINST THAT NONPARTICIPATING CANDIDATE.

C. Notwithstanding any law to the contrary, a candidate, whether participating or nonparticipating:

1. If ~~and only if~~ specified in a written agreement signed by the candidate and one or more opposing candidates and filed with the citizens clean elections commission, shall not make any expenditure in the primary or general election period exceeding an agreed-upon amount lower than spending limits otherwise applicable by statute.

2. Shall continue to be bound by all other applicable election and campaign finance statutes and rules, with the exception of those provisions in express or clear conflict with ~~the provisions of~~ this article.

D. Notwithstanding any law to the contrary, any person who makes independent expenditures related to a particular office cumulatively exceeding five hundred dollars in an election cycle, with the exception of any expenditure listed in section 16-920 and any independent expenditure by an organization arising from a communication directly to the organization's members, shareholders, employees, affiliated persons, ~~and~~ subscribers, shall file reports with the secretary of state in accordance with section 16-958 so indicating, identifying the office and the candidate or group of candidates whose election or defeat is being advocated, ~~and~~ stating whether the person is advocating election or advocating defeat.

#### Sec. 5. Repeal

Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-944, Arizona Revised Statutes, is repealed.

Sec. 6. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-952, Arizona Revised Statutes, is amended to read:

#### 16-952. Equal funding of candidates

A. Whenever during a primary election period a report is filed, or other information comes to the attention of the commission, indicating that a nonparticipating candidate who is not unopposed in that primary has made

1 expenditures during the election cycle to date exceeding the original primary  
 2 election spending limit, including any previous adjustments, the commission  
 3 shall immediately pay from the fund to the campaign account of any  
 4 participating candidate in the same party primary as the nonparticipating  
 5 candidate an amount equal to any excess of the reported amount over the  
 6 primary election spending limit, ~~as previously adjusted, and~~ LESS TEN PER  
 7 CENT FOR A NONPARTICIPATING CANDIDATE'S FUND-RAISING EXPENSES FOR A  
 8 LEGISLATIVE OFFICE OR FIFTEEN PER CENT FOR A STATEWIDE OFFICE THAT MAY  
 9 INCLUDE THE VALUE OF ANY IN-KIND CONTRIBUTIONS RECEIVED BY THE  
 10 NONPARTICIPATING CANDIDATE TO ASSIST IN FUNDRAISING AND LESS THE AMOUNT OF  
 11 EARLY CONTRIBUTIONS THAT WOULD BE ALLOWABLE FOR THAT PARTICIPATING CANDIDATE  
 12 FOR THAT OFFICE AS PRESCRIBED BY SECTION 16-945. The primary election  
 13 spending limit for all such participating candidates shall be adjusted by  
 14 increasing it by the amount that the commission is obligated to pay to a  
 15 participating candidate.

16 B. Whenever during a general election period a report has been filed,  
 17 or other information comes to the attention of the commission, indicating  
 18 that the amount a nonparticipating candidate who is not unopposed has  
 19 ~~received in contributions~~ SPENT during the election cycle to date ~~less the~~  
 20 ~~amount of expenditures the nonparticipating candidate made through the end of~~  
 21 ~~the primary election period~~ exceeds the original general election spending  
 22 limit, including any previous adjustments, the commission shall immediately  
 23 pay from the fund to the campaign account of any participating candidate  
 24 qualified for the ballot and seeking the same office as the nonparticipating  
 25 candidate an amount equal to any excess of the reported difference over the  
 26 general election spending limit, as previously adjusted, and the general  
 27 election spending limit for all such participating candidates shall be  
 28 adjusted by increasing it by the amount that the commission is obligated to  
 29 pay to a participating candidate.

30 C. For THE purposes of subsections A and B of this section, the  
 31 following expenditures reported pursuant to this article shall be treated as  
 32 follows:

33 1. Independent expenditures against a participating candidate shall be  
 34 treated as expenditures of each opposing candidate, for THE purpose of  
 35 subsection A of this section, or contributions to each opposing candidate, ~~or~~  
 36 FOR THE purpose of subsection B of this section.

37 2. Independent expenditures in favor of one or more nonparticipating  
 38 opponents of a participating candidate shall be treated as expenditures of  
 39 those nonparticipating candidates, for THE purpose of subsection A of this  
 40 section, or contributions to those nonparticipating candidates, for THE  
 41 purpose of subsection B of this section.

42 3. Independent expenditures in favor of a participating candidate  
 43 shall be treated, for every opposing participating candidate, as though the  
 44 independent expenditures were an expenditure of a nonparticipating opponent,

1 for THE purpose of subsection A of this section, or a contribution to a  
2 nonparticipating opponent, for THE purpose of subsection B of this section.

3 4. Expenditures made during the primary election period by or on  
4 behalf of an independent candidate or a nonparticipating candidate who is  
5 unopposed in a party primary, ~~shall be treated as though made during the~~  
6 ~~general election period, and~~ DEDUCTED FROM THE TOTAL AMOUNT OF MONIES RAISED  
7 FOR PURPOSES OF DETERMINING THE AMOUNT OF EQUALIZING FUNDS, UP TO THE AMOUNT  
8 OF PRIMARY FUNDS RECEIVED BY THE PARTICIPATING CANDIDATE. Equalizing funds  
9 pursuant to subsection B of this section shall THEN be CALCULATED AND paid at  
10 the start of the general election period.

11 5. Expenditures made before the general election period that consist  
12 of a contract, promise, ~~or~~ or agreement to make an expenditure during the  
13 general election period resulting in an extension of credit shall be treated  
14 as though made during the general election period, and equalizing funds  
15 pursuant to subsection B of this section shall be paid at the start of the  
16 general election period.

17 6. Expenditures for or against a participating candidate promoting or  
18 opposing more than one candidate who ~~are~~ IS not running for the same office  
19 shall be allocated by the commission among candidates for different offices  
20 based on the relative size or length and relative prominence of the reference  
21 to candidates for different offices.

22 7. EXPENDITURES MADE BY A PARTICIPATING CANDIDATE FOR ATTORNEY FEES  
23 AND FOR BANK CHARGES AND FEES SHALL BE EXCLUDED FROM ANY CALCULATION OF  
24 EQUALIZING FUNDS.

25 D. Upon applying for citizen funding pursuant to section 16-950, a  
26 participating candidate for THE legislature in a one-party-dominant  
27 legislative district who is qualified for clean campaign funding for the  
28 party primary election of the dominant party may choose to reallocate a  
29 portion of funds from the general election period to the primary election  
30 period. At the beginning of the primary election period, the commission  
31 shall pay from the fund to the campaign account of a participating candidate  
32 who makes this choice an extra amount equal to fifty ~~percent~~ PER CENT of the  
33 original primary election spending limit, and the original primary election  
34 spending limit for the candidate who makes this choice shall be increased by  
35 the extra amount. For a primary election in which one or more participating  
36 candidates have made this choice, funds shall be paid under subsections A and  
37 B of this section only to the extent of any excess over the original primary  
38 election spending limit as so increased. If a participating candidate who  
39 makes this choice becomes qualified for clean campaign funding for the  
40 general election, the amount the candidate receives at the beginning of the  
41 general election period shall be reduced by the extra amount received at the  
42 beginning of the primary election period, and the original general election  
43 spending limit for that candidate shall be reduced by the extra amount. For  
44 a general election in which a participating candidate has made this choice,  
45 funds shall be paid under subsections A and B of this section only to the

1 extent of any excess over the original general election spending limit,  
 2 without such reduction, unless the candidate who has made this choice is the  
 3 only participating candidate in the general election, in which case such  
 4 funds shall be paid to the extent of excess over the original general  
 5 election spending limit with such reduction. For THE purpose of this  
 6 subsection, a one-party-dominant legislative district is a district in which  
 7 the number of registered voters registered in the party with the highest  
 8 number of registered voters exceeds the number of registered voters  
 9 registered to each of the other parties by an amount at least as high as ten  
 10 ~~percent~~ PER CENT of the total number of voters registered in the district.  
 11 The status of a district as a one-party-dominant legislative district shall  
 12 be determined as of the beginning of the qualifying period.

13 E. If an adjusted spending limit reaches three times the original  
 14 spending limit for a particular election, ~~then~~ the commission shall not pay  
 15 any further amounts from the fund to the campaign account of any  
 16 participating candidate, and the spending limit shall not be adjusted  
 17 further.

18 Sec. 7. Subject to the requirements of article IV, part 1, section 1,  
 19 Constitution of Arizona, section 16-955, Arizona Revised Statutes, is amended  
 20 to read:

21 16-955. Citizens clean election commission; structure

22 A. The citizens clean elections commission is established consisting  
 23 of five members. No more than two members of the commission shall be members  
 24 of the same political party. No more than two members of the commission  
 25 shall be residents of the same county. No one shall be appointed as a member  
 26 who does not have a registration pursuant to chapter 1 of this title that has  
 27 been continuously recorded for at least five years immediately preceding  
 28 appointment with the same political party or as an independent.

29 B. The ~~commission on appellate court appointments shall nominate~~  
 30 candidates for vacant commissioner positions SHALL BE PERSONS who are  
 31 committed to enforcing this article in an honest, independent, and impartial  
 32 fashion and to seeking to uphold public confidence in the integrity of the  
 33 electoral system. Each candidate shall be a qualified elector who has not,  
 34 in the previous five years in this state, been appointed to, been elected  
 35 to, or run for any public office, including precinct committeeman, or served  
 36 as an officer of a political party.

37 C. Initially, the commission on appellate court appointments shall  
 38 nominate five slates, each having three candidates, before January 1, 1999.  
 39 No later than February 1, 1999, the governor shall select one candidate from  
 40 one of the slates to serve on the commission for a term ending January 31,  
 41 2004. Next, the highest-ranking official holding a statewide office who is  
 42 not a member of the same political party as the governor shall select one  
 43 candidate from another one of the slates to serve on the commission for a  
 44 term ending January 31, 2003. Next, the second-highest-ranking official  
 45 holding a statewide office who is a member of the same political party as the

1 governor shall select one candidate from one of the three remaining slates to  
 2 serve on the commission for a term ending January 31, 2002. Next, the  
 3 second-highest-ranking official holding a statewide office who is not a  
 4 member of the same political party as the governor shall select one candidate  
 5 from one of the two remaining slates to serve on the commission for a term  
 6 ending January 31, 2001. Finally, the third-highest-ranking official holding  
 7 a statewide office who is a member of the same political party as the  
 8 governor shall elect one candidate from the last slate to serve on the  
 9 commission for a term ending January 31, 2000. For ~~purpose~~ THE PURPOSES of  
 10 this section, the ranking of officials holding statewide office shall be  
 11 governor, secretary of state, attorney general, treasurer, superintendent of  
 12 public instruction, corporation commissioners in order of seniority, mine  
 13 inspector, ~~the members of the supreme court in order of seniority,~~ senate  
 14 majority and minority leaders, and house majority and minority leaders.

15 D. One commissioner shall be appointed for a five-year term beginning  
 16 February 1 of every year beginning with the year 2000. ~~The commission on~~  
 17 ~~appellate court appointments shall nominate one slate of three candidates~~  
 18 Before ~~January~~ FEBRUARY 1 of each year beginning in the year 2000, and the  
 19 governor and the highest-ranking official holding a statewide office who is  
 20 not a member of the same political party as the governor shall alternate  
 21 filling such vacancies. The vacancy in the year 2000 shall be filled by the  
 22 governor.

23 E. Members of the commission may be removed by the governor, with  
 24 concurrence of the senate, for substantial neglect of duty, gross misconduct  
 25 in office, inability to discharge the powers and duties of office, or  
 26 violation of this section, after written notice and opportunity for a  
 27 response.

28 F. If a commissioner does not complete ~~his or her~~ THE COMMISSIONER'S  
 29 term of office for any reason, ~~the commission on appellate court appointments~~  
 30 ~~shall nominate one slate of three candidates as soon as possible in the first~~  
 31 ~~thirty days after the commissioner vacates his or her office and a~~  
 32 replacement shall be selected ~~from the slate~~ within thirty days ~~of nomination~~  
 33 ~~of the slate~~ AFTER THE VACANCY OCCURS. The highest-ranking official holding  
 34 a statewide office who is a member of the political party of the official who  
 35 nominated the commissioner who vacated office shall nominate the replacement,  
 36 who shall serve as commissioner for the unexpired portion of the term. A  
 37 vacancy or vacancies shall not impair the right of the remaining members to  
 38 exercise all of the powers of the board.

39 G. Commissioners are eligible to receive compensation in an amount of  
 40 two hundred dollars for each day on which the commission meets and  
 41 reimbursement of expenses pursuant to title 38, chapter 4, article 2.

42 H. The commissioners shall elect a chair to serve for each  
 43 calendar-year period from among their members whose terms expire after the  
 44 conclusion of that year. Three commissioners shall constitute a quorum.

1 I. A member of the commission shall serve no more than one term and is  
2 not eligible for reappointment. No commissioner, during ~~his or her~~ THE  
3 COMMISSIONER'S tenure or for three years thereafter, shall seek or hold any  
4 other public office, serve as an officer of any political committee, or  
5 employ or be employed as a lobbyist.

6 J. The commission shall appoint an executive director who shall not be  
7 a member of the commission and who shall serve at the pleasure of the  
8 commission. The executive director is eligible to receive compensation set  
9 by the board within the range determined under section 38-611. The executive  
10 director, subject to title 41, chapter 4, articles 5 and 6, shall employ,  
11 determine the conditions of employment, and specify the duties of  
12 administrative, secretarial, and clerical employees as the director deems  
13 necessary.

14 Sec. 8. Subject to the requirements of article IV, part 1, section 1,  
15 Constitution of Arizona, section 16-956, Arizona Revised Statutes, is amended  
16 to read:

17 16-956. Voter education and enforcement duties

18 A. The commission shall:

19 1. Develop a procedure for publishing a document or section of a  
20 document having a space of predefined size for a message chosen by each  
21 candidate. For the document that is mailed before the primary election, the  
22 document shall contain the names of every candidate for every statewide and  
23 legislative district office in that primary election without regard to  
24 whether the candidate is a participating candidate or a nonparticipating  
25 candidate. For the document that is mailed before the general election, the  
26 document shall contain the names of every candidate for every statewide and  
27 legislative district office in that general election without regard to  
28 whether the candidate is a participating candidate or a nonparticipating  
29 candidate. The commission shall mail one copy of each document to every  
30 household that contains a registered voter. For the document that is mailed  
31 before the primary election, the mailing may be made over a period of days  
32 but shall be mailed in order to be delivered to households before the  
33 earliest date for receipt by registered voters of any requested early ballots  
34 for the primary election. The commission may mail the second document over a  
35 period of days but shall mail the second document in order to be delivered to  
36 households before the earliest date for receipt by registered voters of any  
37 requested early ballots for the general election. The primary election and  
38 general election documents published by the commission shall comply with all  
39 of the following:

40 (a) For any candidate who does not submit a message pursuant to this  
41 paragraph, the document shall include with the candidate's listing the words  
42 "no statement submitted".

43 (b) The document shall have printed on its cover the words "citizens  
44 clean elections commission voter education guide" and the words "primary  
45 election" or "general election" and the applicable year. The document shall

1 also contain at or near the bottom of the document cover in type that is no  
2 larger than one-half the size of the type used for "citizens clean elections  
3 commission voter education guide" the words "paid for by the citizens clean  
4 elections fund".

5 (c) In order to prevent voter confusion, the document shall be easily  
6 distinguishable from the publicity pamphlet that is required to be produced  
7 by the secretary of state pursuant to section 19-123.

8 2. Sponsor debates among candidates, in such manner as determined by  
9 the commission. The commission shall require participating candidates to  
10 attend and participate in debates and may specify by rule penalties for  
11 nonparticipation. The commission shall invite and permit nonparticipating  
12 candidates to participate in debates. THE COMMISSION SHALL REQUIRE THAT ALL  
13 CANDIDATES WHO ARE INVITED OR REQUIRED TO PARTICIPATE IN DEBATES SHALL NOTIFY  
14 THE COMMISSION BY CERTIFIED MAIL IF THAT CANDIDATE IS UNABLE TO PARTICIPATE  
15 IN THE DEBATE. ON RECEIPT OF A CERTIFIED LETTER BEFORE THE DEBATE THAT  
16 STATES THAT THE CANDIDATE IS UNABLE TO ATTEND A DEBATE, THE COMMISSION SHALL  
17 RESCHEDULE THAT DEBATE. IF ANY CANDIDATE FAILS TO PROVIDE NOTICE BY  
18 CERTIFIED MAIL IN ADVANCE TO THE COMMISSION AND FAILS TO APPEAR AT A DEBATE,  
19 THE DEBATE SHALL TAKE PLACE WITHOUT THAT CANDIDATE AND SHALL NOT BE  
20 RESCHEDULED.

21 3. Prescribe forms for reports, statements, notices and other  
22 documents required by this article. FOR ANY SOFTWARE OR OTHER ELECTRONIC  
23 MEDIA, THE COMMISSION SHALL ENSURE THAT ITS SOFTWARE IS FULLY COMPATIBLE WITH  
24 THAT USED BY THE OFFICE OF THE SECRETARY OF STATE.

25 4. Prepare and publish instructions setting forth methods of  
26 bookkeeping and preservation of records to facilitate compliance with this  
27 article and explaining the duties of persons and committees under this  
28 article.

29 5. Produce a yearly report describing the commission's activities and  
30 any recommendations for changes of law, administration or funding amounts and  
31 accounting for monies in the fund.

32 6. Adopt rules to implement the reporting requirements of section  
33 16-958, subsections D and E.

34 7. Enforce ~~the provisions of~~ this article, ensure that money from the  
35 fund is placed in candidate campaign accounts or otherwise spent as specified  
36 in this article and not otherwise, monitor reports filed pursuant to this  
37 chapter and financial records of candidates as needed to ensure that  
38 equalization monies are paid promptly to opposing qualified candidates under  
39 section 16-952 and ensure that money required by this article to be paid to  
40 the fund is deposited in the fund. THE COMMISSION SHALL TAKE ACTION AGAINST  
41 A CANDIDATE WITHIN ONE YEAR AFTER THE DATE OF ANY ALLEGED VIOLATION, OR THE  
42 COMMISSION IS BARRED FROM ANY ENFORCEMENT ACTION AGAINST THE ALLEGED  
43 VIOLATOR.

44 B. The commission may subpoena witnesses, compel their attendance and  
45 testimony, administer oaths and affirmations, take evidence and require by



1 subpoena the production of any books, papers, records or other items material  
2 to the performance of the commission's duties or the exercise of its powers.

3 C. The commission may adopt rules to carry out the purposes of this  
4 article and to govern procedures of the commission. Commission rule making  
5 is exempt from title 41, chapter 6, article 3, except that the commission  
6 shall submit the rules **TO THE GOVERNOR'S REGULATORY REVIEW COUNCIL FOR REVIEW**  
7 **PURSUANT TO TITLE 41, CHAPTER 6, ARTICLE 5. AFTER COMPLIANCE WITH THE**  
8 **REGULATORY REVIEW PROCESS, THE COMMISSION SHALL SUBMIT THE RULES** for  
9 publication and the secretary of state shall publish the rules in the Arizona  
10 administrative register. The commission shall propose and adopt rules in  
11 public meetings, with at least sixty days allowed for interested parties to  
12 comment after the rules are proposed.

13 D. Based on the results of the elections in the year 2002 or any  
14 quadrennial election thereafter, and within six months after such election,  
15 the commission may adopt rules changing the number of qualifying  
16 contributions required for any office from those listed in section 16-950,  
17 subsection D, by no more than twenty per cent of the number applicable for  
18 the preceding election.

19 Sec. 9. Subject to the requirements of article IV, part 1, section 1,  
20 Constitution of Arizona, section 16-959, Arizona Revised Statutes, is amended  
21 to read:

22 **16-959. Inflationary and other adjustments of dollar values**

23 A. Every two years, the secretary of state shall modify the dollar  
24 values specified in the following parts of this article, in the manner  
25 specified by section 16-905, subsection J, to account for inflation: section  
26 16-941, subsection A, paragraph 2 or subsection D; section 16-942, subsection  
27 B; ~~section 16-944;~~ section 16-945, subsection A, paragraphs 1 and 2; section  
28 16-948, paragraph C; section 16-954, subsection B; section 16-955, subsection  
29 G; and section 16-961, subsections G and H. In addition, the secretary of  
30 state shall make a similar inflation adjustment by modifying the dollar  
31 values in section 16-949, subsection A and section 16-954, subsection A to  
32 the nearest dollar. In addition, every two years, the secretary of state  
33 shall change the dollar values in section 16-961, subsections G and H in  
34 proportion to the change in the number of Arizona resident personal income  
35 tax returns filed during the previous calendar year.

36 B. Based on the results of the elections in the year 2002 or any  
37 quadrennial election thereafter, and within six months after such election,  
38 the commission may adopt rules in a public meeting reallocating funds  
39 available to all candidates between the primary and general elections by  
40 selecting a fraction for primary election spending limits that is between one  
41 third and one half of the spending limits for the election as a whole. For  
42 each office, the primary election spending limit shall be modified to be the  
43 sum of the primary and general spending limits times the selected fraction,  
44 and the general election spending limit shall be modified to be the same sum  
45 times one less the selected fraction.



1           Sec. 10. Subject to the requirements of article IV, part 1, section 1,  
2 Constitution of Arizona, section 16-961, Arizona Revised Statutes, is amended  
3 to read:

4           16-961. Definitions

5           A. The terms "candidate's campaign committee," "contribution,"  
6 "expenditures," "exploratory committee," "independent expenditure," "personal  
7 monies," "political committee," and "statewide office" are defined in  
8 section 16-901.

9           B. 1. "Election cycle" means the period between successive general  
10 elections for a particular office.

11           2. "Exploratory period" means the period beginning on the day after a  
12 general election and ending the day before the start of the qualifying  
13 period.

14           3. "Qualifying period" means the period beginning on the first day of  
15 August in a year preceding an election, for an election for a statewide  
16 office, or on the first day of January of an election year, for an election  
17 for legislator, and ending seventy-five days before the day of the general  
18 election.

19           4. "Primary election period" means the nine-week period ending on the  
20 day of the primary election.

21           5. "General election period" means the period beginning on the day  
22 after the primary election and ending on the day of the general election.

23           6. For any recall election, the qualifying period shall begin when the  
24 election is called and last for thirty days, there shall be no primary  
25 election period, and the general election period shall extend from the day  
26 after the end of the qualifying period to the day of the recall  
27 election. For recall elections, any reference to "general election" in this  
28 article shall be treated as if referring to the recall election.

29           C. 1. "Participating candidate" means a candidate who becomes  
30 certified as a participating candidate pursuant to section 16-947.

31           2. "Nonparticipating candidate" means a candidate who does not become  
32 certified as a participating candidate pursuant to section 16-947.

33           3. Any limitation of this article that is applicable to a  
34 participating candidate or a nonparticipating candidate shall also apply to  
35 that candidate's campaign committee or exploratory committee.

36           D. "Commission" means the citizens clean elections commission  
37 established pursuant to section 16-955.

38           E. "Fund" means the citizens clean ~~election~~ ELECTIONS fund defined by  
39 this article.

40           F. 1. "Party nominee" means a person who has been nominated by a  
41 political party pursuant to ~~sections~~ SECTION 16-301 or 16-343.

42           2. "Independent candidate" means a candidate who has properly filed  
43 nominating papers and nominating petitions with signatures pursuant to  
44 section 16-341.

1           3. "Unopposed~~,-~~" MEANS with reference to an election for:  
2           (a) A member of the house of representatives, ~~means~~ opposed by no more  
3 than one other candidate RUNNING IN THE SAME DISTRICT.  
4           (b) ALL OTHER OFFICES, OPPOSED BY NO OTHER CANDIDATE RUNNING IN THAT  
5 DISTRICT OR RUNNING FOR THAT SAME OFFICE AND TERM.  
6           G. "Primary election spending limits" means:  
7           1. For a candidate for THE legislature, ten thousand dollars.  
8           2. For A candidate for mine inspector, twenty thousand dollars.  
9           3. For a candidate for treasurer, superintendent of public  
10 instruction~~,-~~ or THE corporation commission, forty thousand dollars.  
11           4. For a candidate for secretary of state or attorney general, eighty  
12 thousand dollars.  
13           5. For a candidate for governor, three hundred eighty thousand  
14 dollars.  
15           H. "General election spending limits" means amounts fifty ~~percent~~ PER  
16 CENT greater than the amounts specified in subsection G of this section.  
17           I. 1. "Original" spending limit means a limit specified in  
18 subsections G and H of this section, as adjusted pursuant to section 16-959,  
19 or a special amount expressly set for a particular candidate by a provision  
20 of this title.  
21           2. "Adjusted" spending limit means an original spending limit as  
22 further adjusted to account for reported overages pursuant to section 16-952.  
23           Sec. 11. Legislative declaration; furthering the purpose  
24           The legislature hereby finds and declares that the provisions of this  
25 act further the purposes of the citizens clean sections act adopted by 1998  
26 proposition 200 and enacted into law in title 16, chapter 6, article 2,  
27 Arizona Revised Statutes, and that this act fully complies with the  
28 requirements of article IV, part 1, section 1, Constitution of Arizona.  
29           Sec. 12. Requirements for enactment; three-fourths vote  
30           Pursuant to article IV, part 1, section 1, Constitution of Arizona,  
31 sections 16-941, 16-952, 16-955, 16-956, 16-959 and 16-961, Arizona Revised  
32 Statutes, as amended by this act, and section 5 of this act are effective  
33 only on the affirmative vote of at least three-fourths of the members of each  
34 house of the legislature.